

SENATE BILL 2339  
By Cooper

AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 18, relative to credit services businesses.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-18-1005, is amended by designating the current language as subsection "(a)" and by inserting the following as a new subsection to be designated as subsection "(b)":

The information statement required in § 47-18-1004 shall also include the following statement, printed in bold and capital letters, following which shall be an area on the information statement for the consumer to sign and date the information statement: I understand that participating in a debt management plan could have a serious negative impact on my credit score as reported by the major credit reporting agencies, and could affect my ability to receive credit in the future.

SECTION 2. Tennessee Code Annotated, Title 47, Chapter 18, Part 10, is amended by adding the following as a new section thereto to be designated as follows:

§ 47-18-1012.

(a) Notwithstanding anything in this part to the contrary, any person who would qualify as a credit services business pursuant to this part but for the fact that the person is a nonprofit organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. § 501(c)(3)) shall provide each consumer with the following statement, printed in bold and capital letters, following which shall be an area on the page for the consumer to sign and date the document: I understand that participating in a debt management plan could have a serious negative impact on my credit score as reported by the major credit reporting agencies, and could affect my ability to receive credit in the future.

(b) Nothing in this section shall be construed to require a nonprofit organization exempt from taxation pursuant to 26 U.S.C. § 501(c)(3) to comply with any other requirements of this part.

SECTION 3. This act shall take effect on July 1, 2004, the public welfare requiring it